

RECORDATION NO. 26542 FILED

SEP 06 '06

1-45 PM

SURFACE TRANSPORTATION BOARD

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ELIAS C. ALVORD (1942)  
ELLSWORTH C. ALVORD (1964)

OF COUNSEL  
URBAN, A. LESTER

September 6, 2006

Mr. Vernon A. Williams  
Secretary  
Surface Transportation Board  
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Memorandum of Car Service Agreement, dated September 7, 2006, a primary document as defined in the Board's Rules for the Recordation of Documents.

The names and addresses of the parties to the enclosed document are:

Owner Trustee: PEF Statutory Trust 2006-1 acting through  
U.S. Bank Trust National Association  
225 Asylum Street  
Hartford, CT 06103

Lessee: Florida Power Corporation  
d/b/a Progress Energy Florida, Inc.  
P.O. Box 1551  
Raleigh, NC 27602-1551

Mr. Vernon A. Williams  
September 6, 2006  
Page 2

A description of the railroad equipment covered by the enclosed document is:

105 AutoFlood railcars: PEFX 6000 – PEFX 6104.

A short summary of the document to appear in the index is:

Memorandum of Car Service Agreement.

Also enclosed is a check in the amount of \$34.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read 'R. Alvord', with a long horizontal flourish extending to the right.

Robert W. Alvord

RWA/sem  
Enclosures

MEMORANDUM OF CAR SERVICE AGREEMENT dated September 7, 2006, between PEF STATUTORY TRUST 2006-1, a Connecticut statutory trust (the "*Trust*", or the "*Owner Trustee*", which term includes, if the context requires, U.S. Bank Trust National Association, not in its individual capacity, but solely as Owner Trustee) and FLORIDA POWER CORPORATION d/b/a PROGRESS ENERGY FLORIDA, INC., a Florida corporation (the "*Lessee*"). Capitalized terms used herein which are not defined herein shall have their respective meanings ascribed thereto in the Service Agreement (referred to below).

Owner Trustee and Lessee have entered into that certain Car Service Agreement (PEF Statutory Trust 2006-1) dated as of August 11, 2006 (the "*Service Agreement*"), that certain Service Agreement Supplement No. 1 (PEF Statutory Trust 2006-1) dated September 7, 2006 (*Service Agreement Supplement No. 1*) (the terms of which are incorporated herein by reference), covering the railroad equipment (the "*Equipment*") identified in Schedule A hereto, bearing the equipment numbers of the Lessee shown in said Schedule A, and all additions and alterations thereof, replacements thereof and substitutions therefor.


The Service Agreement and Service Agreement Supplement No. 1 shall be effective as of the respective dates thereof.

This memorandum may be executed in any number of counterparts, each executed counterpart constituting an original but all together only one such memorandum.

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IN WITNESS WHEREOF, the parties wish to show for the public record the ownership of said railroad equipment by Owner Trustee, the leasehold interest therein of the Lessee and accordingly have caused this memorandum to be executed by their officers thereunto duly authorized, as of the date first above written.

FLORIDA POWER CORPORATION d/b/a  
PROGRESS ENERGY FLORIDA, INC.

By:   
Name: Thomas R. Sullivan  
Title: Vice President and Treasurer

PEF STATUTORY TRUST 2006-1, acting through  
U.S. BANK TRUST NATIONAL ASSOCIATION,  
not in its individual capacity, but solely as Owner  
Trustee

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

IN WITNESS WHEREOF, the parties wish to show for the public record the ownership of said railroad equipment by Owner Trustee, the leasehold interest therein of the Lessee and accordingly have caused this memorandum to be executed by their officers thereunto duly authorized, as of the date first above written.

FLORIDA POWER CORPORATION d/b/a  
PROGRESS ENERGY FLORIDA, INC.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

PEF STATUTORY TRUST 2006-1, acting through  
U.S. BANK TRUST NATIONAL ASSOCIATION,  
not in its individual capacity, but solely as Owner  
Trustee

By: \_\_\_\_\_  
Name: Michael M. Hopkins  
Title: Vice President

STATE OF NORTH CAROLINA)

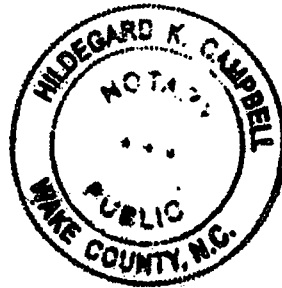
COUNTY OF Wake ) ss.:

On this 31<sup>st</sup> day of August, 2006, before me personally appeared Thomas R. Sullivan, to me personally known, who, by me being duly sworn, says that he is Vice President and Treasurer of FLORIDA POWER CORPORATION d/b/a PROGRESS ENERGY FLORIDA, INC., and that the foregoing instrument was signed on behalf of said Florida corporation by authority of its board of directors, and he/she acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Hildegard K. Campbell  
Notary Public

My commission expires

May 17, 2009



STATE OF **Connecticut**

) ss.:  
)

COUNTY OF **Hartford**

On this 5th day of September 2006, before me personally appeared Michael M. Hopkins, to me personally known, who, by me being duly sworn, says that he/she is Vice President of U.S. BANK TRUST NATIONAL ASSOCIATION, and that the foregoing instrument was signed on behalf of said national association by authority of its board of directors, and he/she acknowledged that the execution of the foregoing instrument was the free act and deed of said national association.

Susan P. McNally  
Notary Public

My commission expires

SUSAN P. McNALLY  
NOTARY PUBLIC  
MY COMMISSION EXPIRES MARCH 31, 2010

**SCHEDULE A to  
MEMORANDUM OF  
SERVICE AGREEMENT**

**DESCRIPTION OF ITEMS OF EQUIPMENT**

105 AutoFlood™ III railcars marked as follows:

PEFX 6000 through PEFX 6104 (all inclusive)



**CERTIFICATION**

I, Robert W. Alvord, attorney licensed to practice in the State of New York and the District of Columbia, do hereby certify under penalty of perjury that I have compared the attached copy with the original thereof and have found the copy to be complete and identical in all respects to the original document.

Dated: \_\_\_\_\_

9/16/06



\_\_\_\_\_  
Robert W. Alvord